

6. If a district receives additional funding under this section for a budget year, the department of management shall determine the amount of the additional funding which would have been generated by local property tax revenues, in proportion to the amount of funding actually received pursuant to this section, if the actual enrollment for the budget year had been used in determining district cost for that budget year. The department of management shall reduce, but not by more than the amount of the additional funding, the district's total state school aids otherwise available under this chapter for the next following budget year by the amount so determined, and shall increase the district's additional property tax levy for the next following budget year by the amount necessary to compensate for the reduction in state aid, so that the local property tax for the next following year will be increased only by the amount which it would have been increased in the budget year if the enrollment calculated in this section could have been used to establish the levy.

Sec. 3. Section 257.14, subsection 1, Code 1999, is amended to read as follows:

1. For the budget years commencing July 1, 1997, ~~and July 1, 1998, and July 1, 1999~~, if the department of management determines that the regular program district cost of a school district for a budget year is less than the total of the regular program district cost plus any adjustment added under this section for the base year for that school district, the department of management shall provide a budget adjustment for that district for that budget year that is equal to the difference.

Sec. 4. **APPLICABILITY AND EFFECTIVE DATE.** This Act, being deemed of immediate importance, takes effect upon enactment and applies to the computation of school aid under the state school foundation program for the school budget year beginning July 1, 1999.

Approved February 4, 1999

CHAPTER 3

PRIORITY OF FUNDING AGREEMENT CLAIMS AGAINST INSURER ASSETS

S.F. 47

AN ACT relating to the classification of funding agreements issued by a life insurance company for purposes of the prioritization of claims against the assets of an insurer subject to supervision, rehabilitation, and liquidation, and including an effective date and a retroactive applicability provision.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 508.31A, subsection 3, Code 1999, is amended to read as follows:

3. A funding agreement is a class ~~3~~ 2 claim under section 507C.42, subsection ~~3~~ 2.

Sec. 2. **RETROACTIVE APPLICABILITY AND EFFECTIVE DATE.**

1. This Act applies retroactively to July 1, 1998.

2. This Act, being deemed of immediate importance, takes effect upon enactment.

Approved February 11, 1999